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Before the UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Goodwin, Arkansas Post Office Goodwin, Arkansas

Docket No. A2011-28

Public Representative Comments

November 4, 2011

I. Summary of Proceedings

The Commission received an appeal for review of the closing of the Goodwin Arkansas Post Office. The petition which was filed by Randy Jones (Petitioner) is dated July 22, 2011, and was posted on the Commission's website on July 22, 2011. In Order No. 771 the Commission instituted a proceeding under 39 U.S.C. 404(d)(5), designated the case as Docket No. A2011-28 to consider the Petitioner's appeal and designated the undersigned as Public Representative.²

The Petitioner raises the following issues: (1) the Postal Service failed to adequately consider the economic savings resulting from the closure (see 39 U.S.C. 404(d)(2)(A)(iv)); and (2) that the Postal Service failed to consider whether or not it will continue to provide a maximum degree of effective and regular postal services to the community (see 39 U.S.C. 404(d)(2)(A)(iii)).

¹ Petition Received from Randy Jones Regarding the Goodwin Post Office, July 22, 2011, (Petition).

² Notice and Order Accepting Appeal and Establishing Procedural Schedule, July 26, 2011 (Order No. 771).

The Commission's Notice designated August 8, 2011 as the date for the Postal Service to file the administrative record. On August 8, 2011, the Postal Service filed a electronic copy of the administrative record in response to Order No. 771.³

The Commission's Notice also set forth the date for the Petitioner's filing of a brief or supplemental response. The Petitioner's response was due on August 26, 2011. The Petitioner filed his reply brief on August 25, 2011.⁴ Comments were filed by the Postal Service on September 15, 2011.⁵ In its Comments the Postal Service states that the appeal presents the issues as identified in the Commission's Notice and Order. Postal Service Comments at 1.

II. Discussion

The Petitioner challenges the Postal Service's claims of economic savings related to the closure of the Goodwin, AR Post Office. He asserts that there are expenses associated with closure of the Goodwin Post Office that have not been considered and included in the determination that there will be cost savings, *e.g.* installation of rural route boxes, potential additional carriers or overtime hours for carriers to service the rural route, loss of revenue from post office box rentals, and cost of restoration. Participant Statement at 1.

The Postal Service's administrative record provides background on the Goodwin, AR Post Office. The Goodwin Post Office, an EAS -53 level facility, provided service from 7:30 a.m.to 11:45 a.m. Monday through Friday and 8:00 a.m.to9:15a.m. on Saturday. It provided 24 hour lobby access Monday through Saturday. Final Determination (FD) at 2. The Goodwin Post Office had 58 Post Office Box customers with no delivery customers. The retail window transactions amounted to six transactions associated with 7 minutes of retail workload daily. *Id.* A letter to David

³ United States Postal Service Notice of Filing, August 5, 2011.

⁴ Brief of the Petitioner, August 25, 2011(Petitioner's Brief).

⁵ United States Postal Service Comments Regarding Appeal, September 14, 2011 (Postal Service Comments).

Camp, District Manager, dated December 7, 2010, which approved the initial discontinuance study for the Goodwin AR Post Office, provided that the rationale for the closing was the postmaster vacancy, the proximity to other offices, and the low volume of retail services. *Id.* at 1. The Postal Service states that the postmaster was promoted on February 27, 2010. It asserts that the non-career postmaster relief may be separated from the Postal Service and there are no other employees affected by the closure. *Id.* at 6.

The Postal Service offered alternative postal services through rural carrier route service administered by the Wheatley Post Office, an EAS-13 level office, which is approximately 5 miles away. The Wheatley Post Office provides window service hours from 8:00 a.m. to 4:30 p.m., Monday through Friday and 8:00 a.m. to 10:00 a.m., on Saturday. Additionally, there are 340 post office boxes available. *Id.* at 2. The Wheatley Post Office provides more hours of service than the patrons received from the Goodwin Post Office.

Economic savings. The Postal Service estimates that the economic savings from closing the Goodwin, AR Post Office amount to \$20,292. The primary source of savings is from the postmaster salary and fringe benefits totaling more than \$19,000. The Post Office's Final Determination provides that there are \$0 costs for replacement service. FD, Item 47, Pg. 6. The Petitioner contends that additional expenses such as restoration of the post office facilities to its original condition, installation of rural post boxes, and additional carriers for delivery services have not been factored into the costs associated with the closing. The administrative record contains two forms associated with the replacement costs; the Highway Contract Route Analysis Form and Rural Route Carrier Estimated Cost for Alternate Replacement Service. AR Pg. 17. The forms indicate that there no additional boxes to be added to the route and no additional miles to be added to the route. In response to issues raised regarding the use of rural post office boxes, the Postal Service responded that customers in Goodwin are not required to erect rural mailboxes. *Id.* at 25.

In its comments, the Postal Service states that it has properly considered the economic impact of the closing. Postal Service Comments at 9-10. The Petitioner also asserts in its initial petition that poorly trained former Postal Service employees negatively impacted the potential for revenue at the Goodwin Post Office. Petition at 1. The Postal Service responded in its Comments that its records do not support this claim and reiterates the small amount of retail transactions associated with the Goodwin Post Office. Postal Service Comments at 10. The Comments also address Petitioner's assertion that the Goodwin Post Office would have to be restored to its original condition once the lease was concluded. The Postal Service maintains that the administrative record does not indicate that restoration of the building is required. It claims that even if the Petitioner were correct the restoration would be a one-time cost rather than an annual expense. Id. at 11. The Petitioner did not file information to factually support the claim that restoration of the building is required by the lease and this claim is not supported by the administrative record. Even though the Public Representative concurs that this particular expense may not be applicable, the calculations of administrative expenses included in the record should be more transparent in itemizing actual costs associated with closure of the post office. The Postal Service projects \$0 costs in this closing. The absence of particular expenses in this case makes a reasonable person question the accuracy of actual costs and projected savings. The Postal Service has considered the economic savings resulting from the closure of the Goodwin Post Office. However, the Public Representative cannot assess the accuracy of its findings.

Effective and Regular Postal Services for the Goodwin Community. A significant concern for the Petitioner and other customers is the travel to other post offices. The Postal Service states it can provide regular and effective postal services to the Goodwin Community with a combination of retail and delivery services by rural carrier and the Wheatley Post Office. The Postal Service has responded that it is not necessary for most customers to travel to a post office. Postal Service Comments at 5, FD at 2-3, 6. The Postal Service proposes that customers will use rural route carriers to receive

delivery and retail services. *Id.* Customers may also mail packages, buy money orders and special services from the carrier. The distance of the Wheatley Post Office, which is approximately 5 miles away, is also a legitimate concern for some customers. For senior citizens, persons with disabilities, those having difficulty with travel, and during inclement weather, the loss of the Goodwin Post Office presents challenges. Additional options offered include purchase of stamps by telephone, mail, or on the Internet. *Id.* at 6. Shipping options are also available on the Internet. The current law provides that the Postal Service is to consider its ability to provide regular and effective service to the community upon closing a post office. In this proceeding the Postal Service's record supports the determination that it has considered both the economic impact and the ability to provide regular and effective postal services to the Goodwin community.

The situation will not be ideal but access to postal services has been made available to Goodwin citizens. The Postal Service has complied with 39 U.S.C. 404(d)(2)(A)(iii).

The customers who do not receive responses to service concerns as provided in the Postal Service's responses to the Commission in this docket should contact Postal Service representatives as identified in the administrative record to continue to voice their concerns. Each of the customer concerns is important and the Postal Service has a responsibility to provide regular and effective service to its customers.

Respectfully Submitted,
/s/ Cassandra L. Hicks
Public Representative

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